

The Common Council met at the Water Utility Board at 7:00 p.m. on the above date in the Meeting Room at City Hall Annex with Mayor Knowles presiding and members Askren, Rueger, Angel, and Cooper attending. Councilman Tucker was not present. Others attending were Comm. Gray; Chief Webber; Sgt. Allyn; Supt. Givens; Attorney Funkhouser; Nancy Burns-SWIRDC; Debbie Bennett and Jeff Pruitt-WTH Technology; Luke Brazdys; Louis Greenwell-Bristol Meyers Squibb; Marco Delucio-Ziemer Stayman/BMS; John Seaton; Shane Burkhart-Bonar Group; Ted Sommer-London Witte; Chris Janak-Bose McKinney; Elaine Springer; Beth Foster-Mount Vernon Democrat; and Jamie Grabert-Posey County News.

Mayor Knowles called the meeting to order by stating members were either mailed or handcarried copies of the minutes of their previous meeting and by asking if there were any corrections or additions. She added if not, she entertains a motion to waive their reading and to approve the minutes as presented.

Councilwoman Askren moved the reading of the minutes be waived and they be approved as presented. Seconded by Councilman Angel.

Mayor Knowles stated all those in favor of the motions should signify in the affirmative; and following the vote, she reported the motion carried unanimously.

Mayor Knowles reminded the audience that the meeting is being conducted according to Roberts Rules of Order and anyone wishing to speak should approach the podium and state their name and business.

Mayor Knowles then stated they will now hear the reports of the Standing Committees.

Street and Light Chairwoman Askren stated she has no report.

Comm. Gray stated he extended Clean Up Week, it was such a success, and the dumpsters placed around town were filled up two times. He added the street department drove the alleys and picked up junk, which had not been done in the past, and they picked up two dump truck loads of tires from the alleys. He continued his report by stating they have also started on the work orders for the weed violations, and in his opinion, the street department is spending entirely too much time mowing people's lawns. He added he also feels it should be even more expensive than it currently is to do that, though the rates they are using were set in 1993. He then stated the boat ramp is being repaired at J&J Welding and paving will start tomorrow.

Councilman Angel asked if they have had a complaint of the weeds at 1209 Dereham Drive?

Comm. Gray replied yes.

Clerk-Treasurer Wolfe added her office has as well, a certified notice has been sent to the property owner and picked up, the time has passed for the owner to mow, and the word order has been sent to the street department.

Comm.Grayagreedtheydohaveaworkorderonthat.

MayorKnowlesstatedsheappreciatesthastreetdepartment'seffortsonCleanUpWeek.

CouncilmanCooperaddedhewouldliketoalsopassalongapatonthebacktothestreet departmentforcleaningupatreethathadbeenhitbyatruck-20minutesafterthe accident,thetreewasgoneandcompletelycleanedup.Heappreciatedtheirefforts.

CouncilmanRuegerexpressedappreciationaswellfortheleakrepairatADM,goodjob.

Supt.Givensstatedhewouldliketodiscussthiswholeweedthingforaminute.He wonderediftherewereanyconsequencesforrepeatoffenders.

Clerk-TreasurerWolferepliedyes,ifthecityendsupmowingit,theyarefinedeachtime thathappens,itgoesupeachtimeaswell.

Supt.Givenswonderediftheywerechargedtobesentanoticebecausethemanthat livesnexttohimonlymowsafterthecityhassenthimnotice.

Clerk-TreasurerWolferepliedno,theyarenotfinedanythingwiththeinitialnoticeand theythenmowthemselves.

Supt.Givensaddedtheyshouldbeduetotheadministrativeworkthatgoesintodelivery allofthose.

MayorKnowlesaskediftherewereanyquestions?

Therewerenone.

Police&DogChairmanTucker wasnotpresent.

Sgt.Allynstatedshehasnoreport.

MayorKnowlesaskediftherewereanyquestions?

Therewerenone.

FireChairmanRueger statedhehasnoreport.

ChiefWebberstatedhehasnoreport.

MayorKnowlesaskediftherewereanyquestions?

Therewerenone.

SewerChairmanAngel statedhehasnoreport.

Supt.Givensstatedhehasnoreport.

MayorKnowlesaskediftherewereanyquestions?

There were none.

Mayor Knowles stated they have the Financial Report for April before them and any questions could be directed to Clerk-Treasurer Wolfe.

Mayor Knowles asked if the Clerk-Treasurer had any Communications for the Council?

Clerk-Treasurer Wolfe replied not at this time.

Mayor Knowles stated the first item on the Legal portion of the Agenda is the Ordinance establishing The Survival Life Trailer Fund.

Councilman Cooper asked what this is?

Clerk-Treasurer Wolfe explained that when folks use the trailer, they ought to donate something for using it, as the fire department is in charge of storage, upkeep and repair. She added this fund will house that money and pay any repair bills.

Chief Webber added when other agencies use it that is fine, he wants them to, but the trailer is 3 years old and it cost \$160 just to replace 3 batteries. He would like some assistance on maintenance and repairs as it can get very expensive, the computer system is very expensive. He added they will not be charging a fee, only taking donations.

Councilman Cooper stated then they are not charging a fee to use it?

Chief Webber replied no fee, only donations.

Councilman Rueger moved the ordinance pass on first reading. Seconded by Councilwoman Askren.

Mayor Knowles requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles stated the motion carried.

Councilman Rueger moved the rules be suspended. Seconded by Councilwoman Askren.

Mayor Knowles requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles stated the motion carried.

Councilman Rueger moved the ordinance pass on second and third readings. Seconded by Councilman Angel.

Mayor Knowles requested a roll call vote

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles stated the motion carried.

Clerk-Treasurer Wolfe added it will be numbered 05-10.

Mayor Knowles stated the next item is the Public Hearing on the CDGBC Community Focus Fund Community Development Block Grant.

Jeff Pruitt stated is with WTH Technology and they are here to conduct a public hearing relative to the city applying for said grant, the public hearing is required in order to apply. He added they are going for the maximum \$50,000 and the city match would be \$9,500.00. He then turned the hearing over to Shane Burkhart.

Mr. Burkhart stated he is with the Bonar Group, the firm selected to address the City of Mount Vernon's downtown issues. He added they plan to have the involvement of the public on this project from individual to business owners. He stated they can address sidewalks, streets, façade design, etc., and hopefully come up with a good economic solution as well. He added they will study the kinds of retail and service activities of the town and take into consideration the vacancies in the downtown area. He then stated participation from the business owners and the community will be needed. He also stated the entire process should take 11 months, starting with forming a Steering Committee, which should be a good representation of the community. He then stated Bonar will then conduct a Market Analysis on the condition of the buildings, parking, etc., He added then there will be Visioning, meaning what people want to see in their downtown, what they want it to be, followed by Action Plan Development. The final phase, he added would be Final Plan Development, and then of course, follow up.

Mayor Knowles asked if there were any questions or comments from Council or anyone in the Audience?

Ms. Bennett introduced herself to the Council as also being with WTH Technology, the grant writers for the project.

Mayor Knowles stated several RFP's had been sent, only two were returned.

Ms. Bennett added all paperwork is on file in the city building, and they are talking about a planning grant.

Attorney Funkhouser asked where the money goes?

Ms. Bennett replied to the firm to do the actual work, and hopefully all parts of the plan will be implemented.

Councilman Cooper asked what the plan is?

Mr. Burkhardt replied it is a 4 block radius from the river outward on each side, but that will be more solidified through the Steering Committee.

Councilwoman Askren asked how many are on the Steering Committee?

Mayor Knowles replied between 12 and 15, a diverse group.

Mr. Burkhardt agreed the committees should be diverse and workable, not too large.

Mayor Knowles added that she feels a few of the Council members should also be involved.

Councilman Cooper stated so, basically, the downtown business owners?

Mayor Knowles replied probably.

Councilman Cooper stated the downtown business owners will benefit, but also maybe required to upgrade their buildings, etc.

Mr. Burkhardt stated they will be a primary stakeholder, yes.

Councilman Angel asked if this work is done before the money is spent on construction grants?

Ms. Bennett replied yes, that is recommended.

Mr. Pruitt stated the whole grant process takes longer now than it used to, it may take two months to get back any word on if they were successful.

Mayor Knowles added Attorney Funkhouser looked over the Resolution that needs to be passed to continue, and he stated it appears fine.

Mr. Pruitt stated the Resolution to authorize the submission of the grant application and giving the Mayor the authority to sign all documentation. He then stated the \$9,500.00 city match is contingent on the city being awarded the grant and he believes the Mayor indicated it would be paid from the State Gaming Funds, not tax dollars.

Ms. Bennett stated that is the first Resolution to be passed tonight.

Mayor Knowles asked if there were any questions?

There were none.

Councilwoman Askren moved the Resolution be passed. Seconded by Councilman Angel.

Nancy Burns stated she is with the SWIRDC and she can recall that in 1990-1992, when she was with the Chamber of Commerce, they did a study through Ball State University, and they were able to get a \$500,000.00 grant on CFF for sidewalks and trees for the downtown. Please, she added, do not tear up the sidewalks and the trees, they have made a huge difference in the appearance of the downtown. She also stated at that time there were a lot of out of town business owners, now they are mostly local and she wonders how interested they will be in doing something with their buildings. She asked that they use the early use as a continuation and then reminded the Council that the SWIRDC also does grants.

Ms. Bennett asked if that work was done on the square?

Mrs. Burns replied no, from 6th Street to 2nd Street and Main, there were other areas as well, side streets.

Councilman Angel added basically the same area they are talking about now, based on the map he is looking at.

Mayor Knowles stated Ms. Cannato had called the chamber earlier and they indicated they did not have a building inventory.

Ms. Burns replied the chamber does have that and she will get it to them.

Mayor Knowles thanked her.

Mayor Knowles stated as there is a motion and a second, she would request a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles reported the motion carried.

Clerk-Treasurer Wolfe added it will be numbered 05-11.

Mr. Pruitt stated they also have another Resolution to consider, a Slum/Blight Declaratory Resolution for the area outlined on the map. He added after that, the city will be eligible for the grant, and the Resolution can then be rescinded.

Ms. Burns stated somewhere between 1989-1991 there was an ordinance passed that declared that area slum/blight; 5th Street to the waterfront; north to Walnut or Mulberry then to Mill Street.

Ms. Bennett replied that if it is an ordinance and not a resolution, that would be fine.

Clerk-Treasurer Wolfe checked the listing of ordinances and resolutions and found that

what was passed in 1991 was a Resolution.

Councilman Rueger questioned WTH's fee in all of this?

Ms. Bennett replied \$4,000.00, the state will let us have up to \$5,000.00, but we are only taking \$4,000.00.

Mayor Knowles replied that is common place.

Ms. Bennett also stated that they get nothing if the city does not get anything.

Councilman Cooper asked if passing this resolution would affect any businesses in that designated area?

Ms. Bennett replied not in any manner that she is aware of.

Attorney Funkhouser asked if there would be an issue of flow values?

Ms. Bennett replied no, a resolution is not enforceable, but if the Council is uncomfortable and prefers to wait, they can do that.

Councilman Cooper stated that was just a question he had.

Mayor Knowles stated there was already passed in 1991, but it is up to the Council.

Attorney Funkhouser stated he can check into and get back to them if that is what they want.

Ms. Bennett stated many cities do this in order to improve their downtowns.

Ms. Burns stated they had the same issue in 1991, they are only having to do this for grant purposes, it does not devalue property at all.

Ms. Bennett stated they have to declare the area as slum/blight in order to get the money.

Mayor Knowles stated she believes this would be a positive step forward to get the process going.

Councilman Angel moved Resolution Declaring Slum/Blight Area be passed. Seconded by Councilman Cooper.

Mayor Knowles requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles stated the motion carried.

Clerk-Treasurer Wolfe added it will be numbered 05-12.

Mayor Knowles then announced the Public Hearing on the CDGBCFF Community Development Block Grant to be closed and added the Council has just taken a positive step forward.

Mayor Knowles stated she is going to go out of order to let the American Legion come forward with their request before they continue.

Mr. Seaton stated they would like to request 3 handicapped spaces at the American Legion, one at Walnut and 2nd Streets, and the other two in the alley on the east and west side.

Ms. Bennett and Mr. Pruitt left the meeting.

Councilman Rueger moved Attorney Funkhouser be authorized to draft an ordinance to add the handicapped spaces, as stated by Mr. Seaton. Seconded by Councilman Angel.

Mayor Knowles stated all those in favor of the motions should signify in the affirmative; and following the vote, she reported the motion carried unanimously.

They thanked the Council and left the meeting.

Chris Janak approached the podium and stated he is present concerning the Waste Water Rate Ordinance and the public hearing for the same.

Mayor Knowles then opened the Public Hearing.

Mr. Janak stated 15 days ago he was here introducing the sewer rate ordinance. He also stated in late 2004 there was an IDEM order issued against the wastewater utility, and that basically means the wastewater has to complete certain improvements in a certain period of time. He added the city also has CSO's to deal with, but these improvements have to be made, and the utility has to borrow money in order to do that, an increase is now needed.

Mr. Janak reminded the Council that the Board of Public Works & Safety does not have to consider the ordinance, but they did on May 9, 2005, and the Council then introduced it later that evening. Again, he stated this increase will fund the improvements to the system that are being required by IDEM. He pointed out the rates themselves listed on pages 2 and 3 of the ordinance. He then added today it was brought to his attention by Bristol Meyers Squibb that when the notice to the out of town customers went out, the 25% surcharge to those out of the city was included in the pre-treatment charges, it should not be, the surcharge does not apply to pre-treatment charges. He also noted a typo on page 2 for septic hauler that they have included in this new ordinance: gallons should be from 0-1,500 and then 1.50 1-3,000.

Mr. Janak then stated on May 9, 2005 when the ordinance was introduced, he informed Council that the rates were based on an accounting report prepared by London Witte, which indicated the revenues were only .88% of their expenses, and that is unlawful. He added the current rates are not sufficient to cover their operations. He stated revenues should be 1.25% of their expenses, and the increase they are proposing will barely do

that, but the increase will allow the city to be able to borrow money to make the required IDEM improvements.

Mayor Knowles asked if anyone in the Audience had any questions or comments?

Marco Delucio stated he is the attorney representing Bristol Meyers Squibb (BMS), who for 35 years has been a City of Mount Vernon wastewater customer. He added BMS competes nationally and internationally and because of that, they need help in keeping their operating costs down to the bare minimum. He added BMS just took a water increase that amounts to around \$30,000 per year and now sewer rates are getting to jump by just as much. He stated things like this make it difficult for BMS to try and expand, etc. He stated he would very much like to take a look at the accounting report prepared by London Witte and see if BMS could help the city in any way in keeping these costs down. He also stated BMS is outside the city limits and already being charged the 25% surcharge and he assumes that is because additional costs are involved putting these sewage into the system. However, he stated, BMS bring their sewage to the city system (city limits). He added he wanted tonight to express his and BMS' concern over the increase, though he understands the position the city is in. He ended by stating he would like to see the figures on the accounting report.

Mayor Knowles stated if they are willing to help, the city could annex BMS at any time!

Mr. Delucio added that BMS owns its own sewage facilities.

Mr. Sommers of London Witte stated in reference to the 25% surcharge, that has been in place for many years, though he is not sure where it came from. He added an analysis of that type, to determine if there is more stress on the system servicing those out of town, is only done once in a great while, it is very costly. He would assume that it was put in place because the out of town customers are not providing to the tax base of the city. He added there was legislation some 20 years ago that makes it legal to charge this. He then stated in December 2004 London Witte proposed a two phase increase mainly because 12% of their debt service is not being recovered through their revenue, and that is illegal. After the two phase increase was proposed, Mayor Knowles called, rather concerned, and they then took another look at the rates and came up with the one step increase of 33.3%, the minimum he can recommend at this time.

Mr. Delucio questioned if the rates in the ordinance are different than those mailed out in the notice?

Attorney Funkhouser replied they were sent the wrong ones.

Mr. Jana added BMS was sent the original ordinance and that was wrong, they are only implementing a one step increase, not the two step BMS was sent.

Mayor Knowles asked if there were any other comments?

Supt. Givens asked if Mr. Sommer then came up with the new proposed minimum and what that was?

Mayor Knowles replied 33.3% and that will cover capital projects on the IDEM agreed order.

Supt. Givens stated in running a plant like that, many unexpected things happen, some streets around town are even caving in. He stated they are taking in less and paying out more.

Mayor Knowles agreed and added they also have pump issues, serious pump issues and they either need replaced or upgraded. She added also that wastewater revenues are based on water rates. Another issue, is that Ms. Morrow stated the ordinance did not address increasing the sewer deposit and that needs to be addressed separately, it was an oversight.

Mr. Delucio stated it appears this minimum increase is needed, but does the Council anticipate other increases on an annual basis?

Mayor Knowles stated the Council has actually bounced that idea around, a cost of living increase in the rates, but they had been told they could not do that.

Mr. Sommers replied they can if the increase is justified.

Mr. Delucio stated it would be easier for BMS if they knew ahead of time and were able to plan.

Mr. Sommers stated there was \$70,500.00 (est.) of revenues from meters that were stopped in 2003 due to running badly or not running at all, so, there was lost water. He then stated he believes the last increase was not accepted in full, so they were already behind there. But, he added, he cannot guarantee how long these rates will be good, though most are good for 5 years. He added however, he is not comfortable saying that in this case.

Mayor Knowles asked if the Council wished to take action?

Mr. Janak stated the motions should include the two clarifications they discussed earlier.

Councilman Cooper moved the wastewater rate ordinance pass, with the clarification that the 25% surcharge NOT apply to pretreatment, and the typo on page two should read: 0-1,500 and 1,501-3,000.00. Seconded by Councilman Angel.

Mayor Knowles requested a roll call vote.

Roll was called by the Clerk-Treasurer with Council voting as follows:

Askren-yes; Tucker-absent; Rueger-yes;

Angel-yes; Cooper-yes.

Mayor Knowles stated the motion carried unanimously.

Clerk-Treasurer Wolfe added it will be numbered 05-13.

Mayor Knowles asked if anyone in the Audience wished to address the Council?

There was no response.

Mayor Knowles stated under Old Business she would like to bring the Council up to date on the Tile Factory Road project. She started out by stating it is a disappointment. She stated the bids have been let one time already, there were two bids, and neither was within 5%. She added the engineer charged the city \$300,000 for the project, but the INDOT estimates the project to be only \$200,000.00. She again stated the INDOT lets the bids, and they did not come back within 5%. She then stated Clerk-Treasurer Wolfe pulled the bills that have been paid to the engineer on the Tile Factory Road project and they totaled \$110,000.00 for a \$200,000.00 project. She added she is not happy. She then stated Councilwoman Askren and Councilman Angel were aware of the situation and they the city is not continuing with that engineer. She also stated new RFP's were sent and the original firm did not respond, Clark Dietz was selected and they were then surprised by what they found. She added she should have checked on this project earlier, normally a project like this would have cost the city about 30%, that is typical. She added if the project is let again, it is crucial that it come within the 5% or it can never be completed by the time school starts. She then stated she is hesitant to spend one more penny of taxpayer money on this, but the Council just needs to be aware of what is going on. She again stated she feels the city has spent enough money on this project and they will be getting crossing arms and lights, but she is really not in favor of proceeding. She added she may look at the Mulberry Bridge and do some work on that, as the ladder truck cannot even go over that bridge and today that became an issue with a fire in Lawrence Addition. She added Clark Dietz is looking at three other options and she knows Councilman Tucker will not be pleased.

Councilman Cooper wondered if they could extend Lincoln out to Tile Factory Road?

Mayor Knowles stated that is one she has never heard of.

Councilman Cooper stated that would help alleviate the bad intersection of Tile Factory and Sherman Street extension.

Councilman Rueger added Sherman Street extension is way too narrow as well.

Mayor Knowles stated there have been 526 visits to the website this month.

Mayor Knowles asked if there was any New Business?

Councilman Cooper questioned the lawsuits that were on the Council's table this evening?

Mayor Knowles replied Attorney Funkhouser is already working on that and the city has 90 days to answer.

Mayor Knowles stated they will now hear the reports of the Districts.

1stDistrictCouncilwomanAskren statedshehasnoreport.

2ndDistrictCouncilmanTucker wasnotpresent.

3rdDistrictCouncilmanRueger statedhereceivedacallfromLindaAndersonwhose husband,John,worksforthestreetdepartment.Hestatedshewasinquiringastowhy cityemployees(withtheexceptionofpoliceandfire)cannotstayonthecityinsurance aftertheyretire.HeaddedhespokewithClerk-TreasurerWolfewhoindicatedthecarrier wouldnotallowit.

MayorKnowlesaddedMs.CannatospokewithMarilynnAllen,theinsurancerep,on thatbutshedidnotgetthespecifics.

AttorneyFunkhouserstatedhespokewithMs.Allenaswell,andalsohowitcouldaffect thecity'srates.

CouncilmanAngelrepliedhebelievesthereissomeconfusionbecauseofthepoliceand firebeingonseparatepensionplans,etc..

4thDistrictCouncilmanAngel statedhehasnoreport.

Councilman-at-LargeCooper statedhehasnoreport.

MayorKnowlesremindedtheCounciloftheSpecialMeetingtomorrow,immediately followingtheBoardofWorks,todiscussbudgets.Shethenstatediftherewerenofurther business,sheentertainsamotiontoadjourn.

CouncilmanCoopermovedthemeetingbeadjourned.SecondedbyCouncilwoman Askren.

MayorKnowlesstatedallthoseinfavorofthemotionshouldsignifyintheaffirmative; andfollowingthevote,shereportedthemotioncarriedandadjournedthemeeting.

RosemaryL.Knowles

Mayor

ATTEST:

CristiL.Wolfe

Clerk-Treasurer

